IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

Writ Petition No. 1321 of 2005

Rashtriya Chemicals & Fertilizers Ltd. .. Petitioner
V/s.
Union of India & Ors. .. Respondent

Mr. A. Hidayatullah, Senior Counsel with Mr. Sheerazi with Ms. Swati Deshpande i/b. M/s. Bodhanwalla & Company for the Petitioner

Mr. M.I. Sethana, Sr. Counsel with Mr. A.M. Sethana for the Respondent

CORAM : S. RADHAKRISHNAN &
A.S. AGUIAR, JJ.
DATED : 22.06.2005.

P.C.:-

1. Heard the learned Senior Counsel Shri Hidayatullah for the Petitioner and the learned Senior Counsel Shri Sethna for the Respondent. In the above Petition, the Petitioner is challenging the show cause notice dated 9.3.2005 issued by the Directorate of Revenue Intelligence, New Delhi.

2. After some arguments, the learned Senior Counsel Shri Hidayatullah fairly states that the Petitioner will appear before the said Additional Director General of Directorate of Revenue Intelligence, New Delhi, to show cause as per the aforesaid notice dated 9.3.2005. Shri Hidayatullah also fairly stated that the Petitioner will furnish a bank guarantee of a Nationalised Bank in the sum of Rs. 23 Crores in favour of Respondents and replace the same instead of the bond furnished to the Respondents by M/s Udhe India

Limited copy of which is annexed as Exhibit "G" to the Petition. The learned senior counsel for the Petitioner also states that the Petitioner will furnish a Bank guarantee of a Nationalised Bank for the sum of Rs. 5,75,00,000/- in favour of the Respondents and upon furnishing the same, the Respondent may be permitted to withdraw the sum of Rs. 5,75,00,000/-, which was paid to Respondents as Revenue Deposit, as indicated in Exhibit -"H" to the Petition.

3. In the light of the above, Shri Sethna, the learned senior counsel appearing on behalf of the Respondents also fairly states that as the Petitioners are furnishing the aforesaid bank guarantees, the Respondents will treat a sum of Rs. 9,26,89,304/- towards the customs duty payable, out of the amount of Rs. 15,01,89,303/- already deposited by the Petitioner towards payment of duty and penalty while provisionally clearing the goods.

4. Both the learned senior counsel for the Petitioner as well as the learned senior counsel for the Respondents categorically state that no reasons need be given in the above as the Petitioner has agreed to appear before the Authority to show cause.

5. The learned senior counsel appearing on behalf of the Petitioner undertakes on behalf of the Petitioner that both the bank guarantees mentioned hereinabove

will be kept alive till the hearing and disposal before the aforesaid Authority with regard to the aforesaid show cause notice dated 9.3.2005 and for a further period of 30 days thereafter. The undertaking is accepted.

6. Having regard to the aforesaid facts and circumstances, we direct the Respondents to give inspection of all the documents and records with regard to which inspection is sought within a period of four weeks from today and after the said inspection, the Petitioner shall file the reply with regard to the show cause notice dated 9.3.2005, within a period of four weeks thereafter. The Respondents shall thereafter adjudicate the said show cause notice and dispose of the same as expeditiously as possible preferably within a period of three months thereafter. Writ Petition stands disposed of in the above terms.

(S. RADHAKRISHNAN, J.)

(A.S. AGUIAR, J.)